

ARIZONA STATE BOARD OF ACCOUNTANCY

OPEN SESSION MINUTES

July 14, 2008

Members of the Arizona State Board of Accountancy held a meeting at 8:18 a.m. on Monday, July 14, 2008 at the Accountancy Board Office in Suite 165, 100 N. 15th Avenue, Phoenix, Arizona. An Executive Session was held from 9:20 a.m. to 11:09 a.m.

BOARD MEMBERS:

Patrick J. Ramirez.....	President
✕ Debbi Fitzgerald, CPA	Treasurer
Samuel L. Fogleman, CPA	Secretary
Marianne E. DeVries, CPA	Member
Gary W. Fleming, CPA	Member
☉ James E. May	Member
✕ Earl R. Shivers, CPA.....	Member

☉ Left the meeting at 11:42 a.m.

✕ Absent

OTHERS PRESENT:

Monica L. Petersen.....	Executive Director
Jim Dubé.....	Deputy Director
Seth T. Hargraves, Esq.....	Assistant Attorney General
Daniel R. Christl, Esq.	Assistant Attorney General
Ryan P. Edmonson	Programs & Projects Specialist II
Yolanda M. Barajas.....	Administrative Assistant III
Elena N. Frausto	Administrative Assistant III
Jennie Barraza	Office of the Attorney General, Staff

GUESTS PARTICIPATING:

Andrea Marie Coury	Candidate
Trina Dev	Candidate

The meeting was called to Order at 8:18 a.m. by Patrick J. Ramirez, President. The following Order of business was then considered:

OPEN SESSION

CALL TO THE PUBLIC

No one wished to address the Board.

ITEMS FOR BOARD REVIEW, DISCUSSION AND LEGAL ACTION

**Application for Certification by Examination – A.R.S. § 32-721 Board Decision
Deferral Pending Oral Response from Candidate**

Andrea Marie Coury

Andrea Marie Coury was present.

The Board reviewed the file. A motion was made by Marianne E. DeVries, seconded by James E. May and passed to approve her application for certification by examination.

MINUTES

June 9, 2008 Board Meeting

A motion was made by James E. May, seconded by Marianne E. DeVries and passed to approve the Open Session Minutes from the June 9, 2008 Board meeting.

June 9, 2008 Board Meeting

A motion was made by James E. May, seconded by Marianne E. DeVries and passed to approve the Executive Session Minutes from the June 9, 2008 Board meeting.

DECLARATION OF CONFLICTS OF INTEREST

Gary W. Fleming, CPA declared a conflict on agenda item 12-a.

CONSENT AGENDA

(The Board may pull any of the following items off the consent agenda to take individual action.) Board discussion and legal action on the following items:

A motion was made by Gary W. Fleming, seconded by James E. May and passed to accept the following consent agenda:

- a. Recommended for Registration of Professional Corporation for the following Applicants - (Meet the requirements of A.R.S. § 32-734):

Everlene Romero CPA PC	Christine Z. Freeland CPA PC
Partner: Everlene Romero 12393-E	Partner: Christine Z. Freeland 7278-E
- b. Recommended for Registration of LLC/PLLC/LLP's for the following Applicants (Meet the requirements of A.R.S. § 32-735):

Wayne K. Symington LLC	Hector M. Hurtado CPA PLLC
Partner: Wayne K. Symington 6879-R	Partner: Hector M. Hurtado 7356-E

Allen Browning CPA PLC
Partner: Allen Browning 14875-E

William Bandi CPA PLLC
Partner: William Bandi 2813-E

Effective Accounting Solutions LLC
Partner: Jared Van Arsdale 14943-E

Lupe M. Nesbitt CPA PLLC
Partner: Lupe M. Nesbitt 8960-E

- c. Recommended for Firm Name Change:
Heidenreich & Heidenreich CPA's PLLC International Tax & Accounting
Heidenreich & Heidenreich CPA's 2099-P Douglas J. Kingston CPA 4767-S
Partner: Suzanne Heidenreich 10169-R Partner: Douglas J. Kingston 9207-R
- d. Request for Firm Cancellation – Do not wish to renew:
Katherine C. White CPA PC 1168-C Back Office Plus PC 2309-C
Partner: Katherine C. White 13331-E Partner: Lisa Gene Johnston 12261-E
- Crawford & Mancini PC 529-C
Partner: David M. Mancini 3367-E (expired)
- e. Recommended for Cancellation of Certificate per registrant's request not to renew:
John Edward Fox 13719-R Susan Lee Davis 12403-R
Patrick Robert Phelan 5797-E Lori J. Slater 10854-E
Kathryn A. McCormack 6265-E Nick L. Voller 10604-R
Kathleen A. Grainger 6568-R Morrisa W. Summers 14705-R
- f. Recommended for Reissuance of Certificate because of Name Change:
Patricia M. Corke (von Kolen) 12745-E
Megan M. Riley (Smith) 11655-E
Julie Kay Bonefas (Rodriguez) 8866-E
Georgia Walton Rusing (McGee) 7752-R
Heather Marie Argenio (Spraggins) 14789-E
Christa Pfunder Abare (Ellen Pfunder) 11253-E
Elizabeth Eisenberg (Hale) 12541-E
Kiala L. Felder (Felder-Furr) 13066-E
Tawni M. Doyle (Adams) 11821-E
- g. Recommendation of the Certification Committee for approval of Certification by Examination - A.R.S. §32-721:
- | | |
|-----------------------|---------------------|
| Selina J. Ashworth | Douglas C. Berg, Jr |
| Pratixa Bhakta | Gannon Burleigh |
| Audilia Gunawan | Jennifer K. Jarrell |
| Courtney L. Jolicoeur | Hosanna Kakarala |
| Allan C. Klose | Hui-Wen Lin |
| Steven Malina | Ryan W. Mecham |
| Brian Roy Morrow | Roberta Potts |
| Jason I. Riggs | Kristin M. Schulke |

Cara A. Seavers
Srinivasan S. Vijayapuram

Jordan I. Taylor
Michael R. Wallace

- h. Recommendation of the Certification Committee for approval of Certification by Reciprocity - A.R.S. § 32-724:
David Woolf – California
- i. Recommendation of the Certification Committee for approval of Certification by Reciprocity based on Substantial Equivalency - A.R.S. § 32-726(B):
- | | |
|-------------------------------------|--------------------------------------|
| Gerald L. Bauman – North Carolina | Herman V. Cueto – New Jersey |
| Timothy R. Fischer – New Mexico | Daniel Hurtado – Illinois |
| Jamie Kilcoyne – Utah | Sharna L. Larson – Nevada |
| Jonathan P. MNickelsen – California | Guy M. Ransom – Wyoming |
| Todd Spaanstra – Michigan | Sherrilyn True-Owzarski – Washington |
| Daniel Vandenberghe – Nevada | David StrattonWaite – California |
| Joseph M. Watt – Missouri | Patrick R. Winter - California |
- j. Recommendation of the Certification Committee for approval of Certification by Grade Transfer - A.R.S. § 32-721:
Lita R. Muhr – New Mexico
- k. Recommendation of the Certification Committee for approval of Examination Candidates for the Uniform CPA Exam - A.R.S. § 32-723:
- | | |
|----------------------------|----------------------------|
| Leoncio Enriquez Atienza | Jessica Marie Baker |
| Kate E. Banker | Matthew Angelo Berardini |
| Marina B. Bolotovskiy | Richard D. Brown |
| Tyler Jeffrey Woods | Briana Lee Bunch |
| Spencer Lynn Bunn | Daniel A. Calabro |
| Loran Richard Candlish | Zachary Alan Carr |
| Daziano Donovan Cartwright | Adam Jason Castaldi |
| Jennifer Leigh Christians | Michelle Catherine Cobeaga |
| David Charles Cooper | Dustin Tyler Cooper |
| Laura Michelle Danker | Robert Francis Dembowski |
| Jack Yujun Deng | Darshan Manmohan Desai |
| Kyle Patrick Dunlap | Allison Jo Fish |
| Ryan Jared Fish | Laura Lynn Flaherty |
| Peggy S. Fuhr | Julie Melissa Gaskins |
| Katrine Habib | Bisera Handzic |

Lisa Michelle Hewes	Lisa Mae Hofferma
Christopher Scott Horne	Yufang Hu
David James Humphreys	Jonathan Hallas Hunzeker
Mark James Hymer	Chelsey Suzanne Janzen
Gil Douglas Johnson	Kelli Jo Johnson
Travis Robert Johnson	Tyler Austin Kenson
Alexander Stephen Kier	Crystal Lee Zenko
Archana Kulkarni	Kali Elaine Laden
Ho Ting Alvin Lam	Shannon Stephanie Landis
Albert Patrick Lara	Jacques Robert LeMaitre
Ryan Christopher Littleton	Adam Walker Lohr
Kevin Joseph Marx	Crystal Lynn Cloud Melnick-Holland
Leah Marie Meredith	Violeta Michael
Denise Lynn Mitchell	Amber Marie Molloy
Cynthia Naomi Montoya	Christina Jaclyn Mueller
Susana T. Paskiewicz	Cassandra Lynn Perwin
Jennifer Marie Schissel	Jeffrey Randall Smith, Jr.
Kurt Charles Stouvenel	Nathan A. Stuetgen
Robyn Subia	Maha Akef Sweis
Stacy Lee Thompson	Sandra Lee Trombley
Zachary Boone Ward	John Michael White

I. Recommendation of the Peer Review Oversight Advisory Committee for approval of the following firms in compliance with A.A.C. R4-1-454:

Abbott Company 31-C	Cogen, Terry B., CPA 5088-S
Edelman Company CPA PC 2381-C	Kayal, Albert S. CPA 4775-S
Rogers, N. Terryl & Company PC 308-C	Solin Financial Services LLC 2749-L
Viergutz, Clinton W. CPA 5791-S	Wade, J. Vernon CPA 4572-S

EXECUTIVE DIRECTOR'S REPORT

Monica L. Petersen, Executive Director, gave an update to the Board on the budget, performance measurements, agency operations and legislative update.

PRESIDENT'S REPORT

Patrick J. Ramirez, President and Gary W. Fleming, gave an update to the Board on the NASBA, Western Regional Conference. Mr. Ramirez also mentioned that Laura Tish is the new Regional Director for NASBA.

ITEMS FOR BOARD REVIEW, DISCUSSION AND LEGAL ACTION

Application for Certification by Examination – A.R.S. § 32-721 Board Decision Deferral Pending Oral Response from Candidate

Trina Dev

Trina Dev was present.

The Board reviewed the file. A motion was made by Samuel L. Fogleman, seconded by Marianne E. DeVries and passed to approve her application for certification by examination.

EXECUTIVE SESSION

A motion was made by Marianne E. DeVries, seconded by Samuel L. Fogleman and passed to go into Executive Session at 9:20 a.m. to seek legal advice and review confidential material pursuant to A.R.S. § 38-431.03(A)(2)(3) and (4).

After consideration in Executive Session, the Board reconvened in Open Session at 11:09 a.m.

COMMITTEE RECOMMENDATIONS – COMPLAINT/INITIAL ANALYSIS FILES

File No. 2008.048

A motion was made by Samuel L. Fogleman, seconded by Marianne E. DeVries and passed to accept the Accounting and Auditing Standards Committee's recommendation to close the complaint file, no violations of professional standards.

File No. 2008.059

A motion was made by Samuel L. Fogleman, seconded by Marianne E. DeVries and passed to issue an Administrative Letter of Concern, as amended in executive session.

File No. 2008.065

A motion was made by Samuel L. Fogleman, seconded by Marianne E. DeVries and passed to accept the Tax Practice Committee's recommendation to close the complaint file, no violations of professional standards.

File No. 2008.068

A motion was made by Samuel L. Fogleman, seconded by Marianne E. DeVries and passed to accept the Tax Practice Committee's recommendation to close the complaint file, no violations of professional standards.

File No. 2008.071

A motion was made by Samuel L. Fogleman, seconded by Marianne E. DeVries and passed to accept the Accounting and Auditing Standards Committee's recommendation to open an investigation file.

COMMITTEE RECOMMENDATIONS – INVESTIGATION FILES

File No. 2008.025

A motion was made by Samuel L. Fogleman, seconded by Gary W. Fleming and passed to accept the Accounting and Auditing Standards Committee's recommendation to close the complaint file, no violations of professional standards.

File No. 2008.037

A motion was made by Samuel L. Fogleman, seconded by Patrick J. Ramirez and passed to offer a Decision and Order (By Consent) to include 12 months probation, reimbursement of Board investigation costs, restitution to the complainant, and sixteen hours of continuing professional education in the areas of tax practice management and ethics, which is to be in a class room setting and must be pre-approved by the Board.

The Board discussed amending the motion and removing the restitution to the complainant from the Order. After the discussion Samuel L. Fogleman amended his motion, Patrick J. Ramirez accepted the amendments.

File No. 2008.038

A motion was made by Samuel L. Fogleman, seconded by Marianne E. DeVries and passed to issue an Administrative Letter of Concern, as amended in executive session.

COMMITTEE RECOMMENDATIONS – PEER REVIEW

File No. 2008.074

A motion was made by Samuel L. Fogleman, seconded by Marianne E. DeVries and passed to accept the Peer Review Oversight Advisory Committee's recommendation to issue an Administrative Letter of Concern.

NOTICES OF UNLAWFUL USE OF THE CPA DESIGNATION

File No. 2008.076

A motion was made by Samuel L. Fogleman, seconded by Marianne E. DeVries and passed to direct the Assistant Attorney General to file an injunction in Superior Court for the unlawful use of the CPA designation.

File No. 2008.082

A motion was made by Samuel L. Fogleman, seconded by Marianne E. DeVries and passed to accept the response and close the file.

File No. 2008.083

A motion was made by Samuel L. Fogleman, seconded by Marianne E. DeVries and passed to accept the response and close the file.

INITIAL ANALYSIS

- a. A motion was made by Samuel L. Fogleman, seconded by Marianne E. DeVries and passed to open an initial analysis file.

Gary W. Fleming declared a conflict and did not vote.

- b. No action taken.

- c. File No. 2008.084

A motion was made by Samuel L. Fogleman, seconded by Marianne E. DeVries and passed to issue an Administrative Letter of Concern.

- d. File No. 2008.085

A motion was made by Samuel L. Fogleman, seconded by Marianne E. DeVries and passed to issue an Administrative Letter of Concern.

ITEMS FOR BOARD REVIEW, DISCUSSION AND LEGAL ACTION

Status of Compliance with Decision & Order (By Consent)

File No. 2007.013; Buttrum, L. Z.

Daniel R. Christl, Assistant Attorney General provided an update to the Board.

A motion was made by Samuel L. Fogleman, seconded by Gary W. Fleming and passed to direct the Assistant Attorney General to write a memo regarding the file and defer action until the September Board meeting.

Response / Non-response to Offered Decision and Order (By Consent)

File No. 2007.029; Holcomb & Shreeve, P.C. (2566-C)

A motion was made by Samuel L. Fogleman, seconded by James E. May and passed to accept signed Consent Order received late.

File No. 2007.050; Robert A. Hutchison, CPA (5629-S)

A motion was made by Samuel L. Fogleman, seconded by James E. May and passed to offer a Relinquishment Order and if not accepted within 30 days to file a Complaint and Notice of Hearing for revocation.

Termination of Decision & Orders (By Consent)

File No. 2008.031; Friedman, Louis

File No. 2008.078; Bell, Scott

A motion was made by Samuel L. Fogleman, seconded by James E. May and passed to terminate the Consent Orders and close the files.

Pre-approval of CPE

File No. 2007.107; Dusseau, Ken

The Board reviewed the request for CPE pre-approval. A motion was made by Gary W. Fleming, seconded by Marianne E. DeVries and passed to approve his CPE request.

Issues from and regarding the National Association of State Boards of Accountancy (NASBA)

Monica L. Petersen, Executive Director, reviewed and discussed the following NASBA issues with the Board:

- i. CPA Examination Ownership
Board reviewed.
- ii. White paper regarding 120/150 exam
Samuel L. Fogleman provided an update for the Board.

Application for Certification by Examination/Grade Transfer, Deferral/Denial by Certification Committee - A.R.S. § 32-721

Eugenio Fontes

Marianne E. DeVries reviewed the file. A motion was made by Marianne E. DeVries, seconded by James E. May and passed to deny the registrant's request for application for certification by examination because he did not meet the education requirements and to appoint Monica L. Petersen, Executive Director, or Jim Dubé, Deputy Director as a designated representative of the Board to conduct a informal settlement conference, if requested, with limited authority to settle.

Brian K. Nelson

Samuel L. Fogleman reviewed the file. A motion was made by Samuel L. Fogleman, seconded by Marianne E. DeVries and passed to deny the registrant's request for application for certification by examination because he did not meet the education requirements and to appoint Monica L. Petersen, Executive Director, or Jim Dubé, Deputy Director as a designated representative of the Board to conduct a informal settlement conference, if requested, with limited authority to settle.

Garth J. Perry

Marianne E. DeVries reviewed the file. A motion was made by Marianne E. DeVries, seconded by Samuel L. Fogleman and passed to deny the registrant's request for application for certification by examination because he did not meet the education requirements and to appoint Monica L. Petersen, Executive Director, or Jim Dubé, Deputy Director as a designated representative of the Board to conduct a informal settlement conference, if requested, with limited authority to settle.

Application for Certification by Reciprocity, Deferral by Certification Committee - A.R.S. § 32-726(F)

Peter William Brown – California

Gary W. Fleming reviewed the file. A motion was made by Gary W. Fleming, seconded by Marianne E. DeVries and passed to approve his application for certification by reciprocity pursuant to A.R.S. § 32-726.

Application for Uniform CPA Exam, Denial by Certification Committee - A.R.S. § 32-723

Erica Lee Brownlee

Gary W. Fleming reviewed the file. A motion was made by Gary W. Fleming, seconded by Marianne E. DeVries and passed to deny her application for the Uniform CPA exam because she is nine hours short of related courses in accounting.

Elizabeth Yuree Koppinger

James E. May reviewed the file. A motion was made by James E. May, seconded by Samuel L. Fogleman and passed to approve her application for the Uniform CPA exam pursuant to A.R.S. § 32-723.

Request for a CPE Waiver and/or Fee Waiver – A.R.S. § 32-730(C) & (D)

Mary Virginia Melcher 3650-E (Late Fee)

Marianne E. DeVries reviewed the file. A motion was made by Marianne E. DeVries, seconded by Samuel L. Fogleman and passed to grant her request for CPE and Fee Waiver.

Request for a CPE Extension

Daniel E. Bachus 9374-E

Gary W. Fleming reviewed the file. A motion was made by Gary W. Fleming, seconded by Samuel L. Fogleman and passed to grant his request for a CPE extension for twelve months.

E. Allan Brooks 739-E

Gary W. Fleming reviewed the file. A motion was made by Gary W. Fleming, seconded by Samuel L. Fogleman and passed to grant his request for a CPE extension for six months.

Request for Inactive Status – A.R.S. § 32-730

Lisa M. Larned 10640-E

Amy Davenport Mireles 14021-R

Lori B. Smith 11177-E

A motion was made by Samuel L. Fogleman, seconded by Marianne E. DeVries and passed to grant their requests for inactive status.

Application for Reinstatement – A.R.S. § 32-748:

Terri L. Fisher (Stephan) 10997-E

A motion was made by Samuel L. Fogleman, seconded by Marianne E. DeVries and passed to grant his request for application for reinstatement.

Extension of Time to Comply with Peer Review Requirements of A.A.C. R4-1-454:

Patricia H. Rowdabaugh CPA PC 937-C

A motion was made by Marianne E. DeVries, seconded by Samuel L. Fogleman and passed to grant her an extension for six months to comply with peer review requirements set forth in A.A.C. R4-1-454.

Firm/Sole Practitioner Application/Compliance with A.R.S. § 32-747.01

Padgett Business Services – East Valley

No action taken.

Request for Interpretation Regarding CPA Work Product Review by Non-CPA

A motion was made by Samuel L. Fogleman, seconded by Marianne E. DeVries and passed to direct staff to send a letter to the respondent indicating that there is no Arizona statute that speaks directly to the question and refer the respondent to the American Institute of Certified Public Accountants (AICPA).

Federal of Associations of Regulatory Boards (FARB's) 16th Annual Attorney Certification Seminar (ACS) October 3rd – 5th, 2008, Colorado Springs, Colorado
Consideration of approval for the Assistant Attorneys General attendance.

A motion was made by Samuel L. Fogleman, seconded by Marianne E. DeVries and passed to approve the Assistant Attorneys General, Seth T. Hargraves and Daniel R. Christl to travel and attend the Federal of Association of Regulatory Boards – (FARB's) 16th Annual Attorney Certification Seminar (ACS) on October 3 – 5, 2008 in Colorado Springs, Colorado.

Discuss Topics for Annual Board Meeting August 14th & 15th

Monica L. Petersen provided an update to the Board on the annual Board agenda.

SUMMARY OF CURRENT EVENTS

None.

DISCUSSION OF ITEMS TO BE PLACED ON FUTURE MEETING AGENDA

None.

ADJOURNMENT

A motion was made by Marianne E. DeVries, seconded by Gary W. Fleming and passed to adjourn at 12:05 p.m.

OPEN SESSION

July 14, 2008

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Patrick J. Ramirez, Member, President

Samuel L. Fogleman, CPA, Secretary

Marianne E. DeVries, CPA Member

Gary W. Fleming, CPA Member

James E. May, Member, Member